



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Janice Gould, Treasurer
Gould for Congress
P.O. Box 3145
Lake Havasu, AZ 86405

APR 15 2016

RE: MUR 6624
Ron Gould
Gould for Congress
Committee to Elect Ron Gould

Dear Mrs. Gould:

On April 6, 2016, the Federal Election Commission ("Commission") accepted the signed conciliation agreement you submitted on behalf of Gould for Congress in settlement of violations of 52 U.S.C. § 30104(b), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondents and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in black ink that reads "Marianne Abely by RSP".

Marianne Abely
Attorney

Enclosure
Executed Conciliation Agreement

RECEIVED
FEDERAL ELECTION
COMMISSION

BEFORE THE FEDERAL ELECTION COMMISSION

2016 APR 12 PM 12:41

In the Matter of)
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)

Gould for Congress and Janice Gould)
in her official capacity as treasurer)
)

MUR 6624
OFFICE OF GENERAL
COUNSEL

CONCILIATION AGREEMENT

This matter was generated based on a complaint filed with the Federal Election Commission (the "Commission"). See 52 U.S.C. § 30109(a)(1). Based upon available information, the Commission found reason to believe that Gould for Congress and Janice Gould in her official capacity as treasurer ("Respondents") violated 52 U.S.C. § 30104(b).

NOW, THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Gould for Congress ("Committee") is the authorized campaign committee of Ron Gould, who was a candidate for the U.S. House of Representatives from Arizona's 4th congressional district in 2012. Janice Gould is the Committee's treasurer.

2. The Act requires reporting of all contributions and expenditures.

52 U.S.C. § 30104(b). Commission regulations require that the intermediary or conduit of an earmarked contribution "report the original source and the recipient candidate or authorized committee." 11 C.F.R. §§ 102.8(a) and 110.6(b)(2), (c)(1)(iv)(A). When an earmarked contribution exceeds \$200, the conduit's report must contain the name and mailing address of the contributor, the contributor's occupation and name of employer, the date the contribution was received by the conduit as well as the amount and election designation, if any. *Id.*

3. The recipient of an earmarked contribution has reporting obligations if the earmarked contributions received from a single conduit exceed \$200 in an election cycle. The authorized committee must report on Schedule A the identity of each conduit or intermediary who forwards any earmarked contributions that, in the aggregate, exceed \$200 in a calendar year; the total amount of earmarked contributions received from the conduit and the date of receipt. 11 C.F.R. § 110.6(c)(2); *see* 52 U.S.C. § 30101a(a)(8). The recipient committee must also itemize on Schedule A, each original contributor whose total contributions to the committee aggregate over \$200 per election, including the full name, mailing address, occupation and employer of the contributors, the amount earmarked and the date the conduit received the contribution. 11 C.F.R. § 110.6(c)(2), 11 C.F.R. § 104.3(a)(3) and (4).

4. Club for Growth PAC ("CFG PAC") is the separate segregated fund for Club for Growth, a 527 organization, is registered with the Commission as a qualified nonparty committee (unauthorized), and files regular disclosure reports with the Commission. During the 2012 primary election, CFG PAC disclosed receiving 876 contributions totaling \$162,098 between May 3, 2012, and August 30, 2012, that were earmarked for Gould for Congress. CFG PAC provided, on Schedule A of its relevant FEC Form 3 filings (Report of Receipts and

Disbursements), contributor information for each individual earmarked contribution that exceeded \$200, and noted in the memo entry field for each contribution that it was earmarked for Gould.

5. The Committee reported the contributions it received through CFG PAC as "bundled" contributions by disclosing the receipt of \$155,414 in contributions on FEC Form 3L reports (Report of Contributions Bundled by Lobbyists/Registrants and Lobbyist/Registrant PACs) and identifying CFG PAC as the forwarding "lobbyist/registrant." The Committee also itemized on Schedule A of the relevant FEC Form 3 filings, the individual contributors who gave CFG PAC contributions earmarked for Gould in amounts that exceeded \$200. Those itemized contributions, however, did not contain any memo entries or reference CFG PAC in any way, and did not indicate the date on which the contribution was originally received by CFG PAC.

6. The Committee misreported the conduit contributions it received through CFG PAC. CFG PAC is not a Lobbyist/Registrant PAC and therefore the Committee reported the conduit information on the wrong form — FEC Form 3L (Report of Contributions Bundled by Lobbyists/Registrants and Lobbyist/Registrant PACs) instead of FEC Form 3, Schedule A (Itemized Receipts). Also, although the Committee itemized on FEC Form 3, Schedule A, the earmarked contributions that it received through CFG PAC which exceeded \$200, those itemized contributions did not contain a memo entry noting that they were earmarked through CFG PAC and did not indicate the date on which CFG PAC originally received the contribution, as required. Thus, there was no indication on the face of the Committee's disclosure reports which of the individual contributions received by the committee were earmarked through CFG PAC.

7. In August 2012, the Commission's Reports Analysis Division instructed the Committee on the way to correct its reports, but the Committee did not amend its disclosure

reports at that time to properly report the earmarked contributions. By the end of January 2016, the Committee had filed a series of amended disclosure reports properly reporting the earmarked contributions.

8. Respondents contend that the violation was an inadvertent mistake that resulted from their lack of familiarity with the reporting requirements for earmarked contributions. Respondents also contend that, once they understood how to properly report earmarked contributions, the Committee acted expeditiously to amend the relevant reports. Further, the Commission has made no finding that the reporting violation in this matter was knowing and willful.

V. Respondents violated 52 U.S.C. § 30104(b) by failing to properly report earmarked contributions.

VI. 1. Respondents will pay a civil penalty of Five Thousand Five Hundred Dollars (\$5,500) to the Federal Election Commission pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Respondents will cease and desist from violating 52 U.S.C. § 30104(b).

3. Respondents will amend their disclosure reports for all relevant time periods to properly itemize the earmarked contributions received through CFG PAC.

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

MUR 6624 (Gould for Congress)
Conciliation Agreement

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

BY: Kathleen Guith
Kathleen Guith
Acting Associate General Counsel
for Enforcement

4/12/16
Date

FOR THE RESPONDENTS:

Janice Gould
(Name) Janice Gould
(Position) Treasurer

2/26/2016
Date